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Todd said he first learned that Forms 489 were filed without the site being operational in May during his preparation for the June Meeting. Todd said he was familiar with the term "Belardi Network", which meant virtual network. Todd said he discussed the 489 issue with John Kealy. He said he told Kealy that you could not file deficient Forms 489 at BellSouth. Further, he told Kealy he could not believe the company was doing this. He said that Kealy replied that Mobile Media was a smaller company, thus, it could measure risks in a different way. Todd said he never talked to Gene about the 489 issue. Further, he stated that he did not have a reporting relationship with Gene.

Todd said he attended the January 25-26 meeting, but he does not remember any discussion of the 489 issue. He said the focus of the meeting was integrating the three businesses.

Todd stated that he has never signed any Forms 489, nor seen any drafts of Forms 489. Todd said he saw copies of Forms 489 when he was in the Field, but he has not seen any copies since he moved to the corporate office.

Todd said he does not recall any discussions with Mark Witsamin regarding the 489 issue prior to the Spring of 1996. In the discussions he had with Witsamin and other members of

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the engineering team, Todd said the focus of the discussions was whether certain sites were operational. Todd said he does not recall anyone registering a complaint about Forms 489 being filed although the stations were nonoperational. However, Todd stated that he expressed his discomfort about the issue with Kealy and possibly with Witsamin.

Todd stated that he never had personal knowledge that a Form 489 was filed for a particular nonoperational site.

Todd said he had some involvement with the 40-mile application process. Todd said he uses a mapping software package to determine where the company has licenses and where the company can acquire additional frequencies for expansion. To assist in this endeavor, Todd said that Debra Hilson, Associate Manager for Corporate and Regulatory Affairs, provides him with three lists of the company's frequencies. Todd said the lists contain information on the company's sites which are licensed and operational, sites with existing CPs and sites with pending license applications. Todd said he would send a memorandum to the various Field offices requesting recommendations for expansion. Todd said that once he received the Field recommendations, he would use the mapping software to determine where the company should

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expand. Then, he said an exhibit would be generated reflecting the 40-mile filing recommendations.

Todd stated that he was not aware that the 40-mile applications were based on deficient Forms 489. Todd said that when he received the lists from Hilson, which contained the sites which were licensed and operational, he assumed that this information was correct. Todd said he relied on the accuracy of the lists provided by Hilson in making 40-mile filing recommendations. Todd said that he did not know that some 40-mile applications were based on deficient Forms 489 until the middle of August.

Todd stated that he does not recall any conversations or discussions in the Spring of 1996 concerning prioritizing budgeted expenses in order to allow for the construction of nonoperational sites. Todd said the budget for 1996 was altered on three occasions. Todd said that he and J. Campbell O'Keefe were directed to assess how much it would cost to integrate Mobile Media and MobileComm. Todd said the first budget was presented the second week of February, the second was presented on April 19th, and the third was presented in May. Todd said there was no provision in the budget for "covering" deficient 489s in the first two

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budgets. Todd said he believes the 489 issue may have been addressed in the third budget.

Todd said that at some point, it was estimated that it would cost the company \$3.4 million to "build-out" the 489s. He could not remember who came up with the \$3.4 million figure or when this figure was generated. Todd said that at the time of this estimation, he had no idea of the exact number of nonoperational sites.

Todd said that in dealing with supplemental costs, he tried to stay grounded in the established budgetary plan. Todd said he would ask himself whether the additional cost was necessary, and, if so, what the company could offset. Todd said that the problem in addressing the 489 issue was that he did not know how many sites were involved. Moreover, Todd said that there were other challenges present which were inherent to his position. Todd said he was waiting for management to give him a clear sense of priority.

Todd stated that he sent a revised budget to the management which included the \$3.4 million cost. Todd said that Santo Pittsman wanted to see the revised budget in order to get an idea of the expenses for the upcoming third and fourth quarters. Todd said that Pittsman wanted to look at the entire budgetary picture.

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Todd stated that the company determined in late August or early September that the costs of "building-out" deficient 489s far exceeded the estimated \$3.4 million. Todd said that the 489 issue was specifically addressed in the August budget.

Todd said that he does not have specific knowledge of the Forms 489 or 40-mile application filings.

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CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of May, 1997, I caused copies of the foregoing "Motion to Delete Issue 14(b)," and attachments thereto, to be hand-delivered to the following:

The Honorable Joseph Chachkin Federal Communications Commission 2000 L Street, N.W. Room 226 Washington, DC 20554

Chairman Reed E. Hundt Federal Communications Commission 1919 M Street, N.W. Room 814 Washington, DC 20554

Commissioner James H. Quello Federal Communications Commission 1919 M Street, N.W. Room 802 Washington, DC 20554

Commissioner Rachelle B. Chong Federal Communications Commission 1919 M Street, N.W. Room 844 Washington, DC 20554

Commissioner Susan Ness Federal Communications Commission 1919 M Street, N.W. Room 832 Washington, DC 20554 Mr. William E. Kennard General Counsel Federal Communications Commission 1919 M Street, N.W. Room 614 Washington, DC 20554

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Phillis Merriett

May 21, 1997

CERTIFICATE OF SERVICE

I, Katharine B. Squalls, hereby certify that a true and correct copy of the foregoing "Petition for Limited Waiver and for Expedited Qualifications Finding" was sent by first-class postage prepaid mail this 23rd day of July 1997 to the following:

- * Chairman Reed E. Hundt Federal Communications Commission 1919 M Street, N.W. Room 814 Washington, DC 20554
- * Commissioner James H. Quello Federal Communications Commission 1919 M Street, N.W. Room 802 Washington, DC 20554
- * Commissioner Rachelle B. Chong Federal Communications Commission 1919 M Street, N.W. Room 844 Washington, DC 20554
- Commissioner Susan Ness
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